

United States Small Business Administration, SBA

Why do I need a sign for my Business?

There are many reasons the most primary of these being:

- ▶ Signs are the most effective, yet least expensive, form of advertising for the small business.
- ▶ A sign is your introduction and handshake with those passing by, identifying your business to existing and potential customers.
- ▶ Signs are always on the job for you, advertising 24 hours a day, 365 days a year.
- ▶ People often judge a business by how it looks on the sign.
- ▶ Many merchants increase their business measurably just by adding a good sign. Conversely, many have gone out of business because they simply were not identified well, so not enough potential customers knew of their existence. As one sign industry professional put it, "A business without a sign is a sign of no business."
- ▶ We live in a mobile society. According to the United States Census Bureau, 18% of households relocate each year. As your customers move, you need to replace them by attracting new customers

SBA:

Functions of On-Premise Signage

On-premise signs serve six primary functions:

1. ***To develop brand equity by emphasizing words, graphics or symbols that are associated with the products or services offered by a business.***
Developing brand equity for a site includes the presentation of signage and architecture to create a unique awareness of the products or services offered at that site. Brand equity for a particular business is similar to the good-will of an enterprise.
2. ***To aid in recall and reinforcement of other media advertising efforts.*** In addition to the businesses's name, if the business has a trademark or logo, the symbol should also appear on the sign and as part of any other choice of advertising. Often, when a site is successfully "branded" in the local trade area, the need for other media advertising is significantly reduced.
3. ***To prompt a purchase, especially "impulse" purchases.*** As consumers drive by, they often see a sign, stop at that business and buy on impulse. On-premise signs increase your business. They offer a method for point-of-sale advertising.
4. ***To change a purchasing decision or choice once the customer is on the premises or in the building.*** Temporary signage, whether exterior or interior, is very useful in this context, particularly to call attention to "specials."
5. ***To promote traffic safety by notifying motorists where they are in relation to where they want to go, and assisting their entry to the premises, should they decide to stop.*** However, a sign cannot successfully perform this function unless it can be detected and read by a motorist in sufficient time to appropriately react in traffic.
6. ***To complement community "aesthetic" standards.*** Well-designed signs can be employed as land use and business planning tools to create a sense of place in central business districts, neighborhood commercial blocks or corners, urban commercial corridors, entertainment centers, and tourist destinations.

**Loudoun County Small Businesses
Recommendations to Sign Ordinance
July 14, 2010**

1. Parc City Center would like to see whatever changes are necessary to the ordinance so that it can have a multi-tenant entrance sign. Every other shopping center from the Fairfax County line to Route 28 has a multi-tenant sign. There are 58 businesses located in Parc City, the majority of which cannot be seen from Route 7. This shopping center was built-out over an 18-year period beginning in 1988 and has eight owners of individual lots within the center all of which are subject to the Parc City Center Owners Association covenants.
2. Parc City Center would like to be able to erect directory/directional signs with store names in strategic spots throughout the center as shops are spread out in several, distinct sections which are not visible to each other and in some instances are totally hidden from any of the streets that go through the center. This could prove extremely helpful to consumers in large shopping centers with multiple entrances and which are spread out in numerous clusters. It would give the "hidden" businesses some exposure. *The SBA states that 30% of business comes from well-placed, visible signs.*
3. Businesses that front on a parking lot and have their sign facing the parking lot, but whose back wall directly faces a street, would like to be able to put a sign on the back of the building facing the street.
4. Food franchisees have discussed the fact that they must pay a royalty fee and an advertising fee to their franchisor. The advertising fee is partially used by the franchisor to develop and create new marketing campaigns that result in temporary window signs/ads being sent to the franchisee with instructions to display them during the period of that particular marketing campaign. These campaigns continually change, but there is a need to display temporary signs regularly from one campaign to the next. These businesses want to be able to legally display these ads.

The SBA reports that effective point-of-purchase ads can influence 85% of purchases in a store. Allowing these interior signs would clearly support

one of the goals of the Board of Supervisor's September 1, 2009 resolution, enlarging the tax base.

5. The small business community supports the use of temporary signs to advertise special events such as a grand opening, clearance sales, sidewalk sales, customer appreciation weekend or special promotions. The current regulations only allow for one, four-square foot sign which effectively renders this regulation meaningless from a business perspective.

If the county chooses to leave the regulation as is, it "forces" merchants who are facing financial difficulties to make desperate decisions to break the law which is difficult to normalize as part of one's culture. These decisions are not made lightly and merchants do not like being put in this position. They want to be good business citizens.

6. Many merchants reviewed the "new" draft Purpose to the Sign Regulations. Comments ranged from "demoralizing," "nothing business friendly about this wording;" "signs are viewed as a necessary evil and the emphasis on control, control, control indicates that the drafters do not understand why signs are so important to the overall success of a business; there is no discussion of wanting a healthy economy;" "where is the language showing balance between business needs and keeping the aesthetic beauty of Loudoun in tact?"

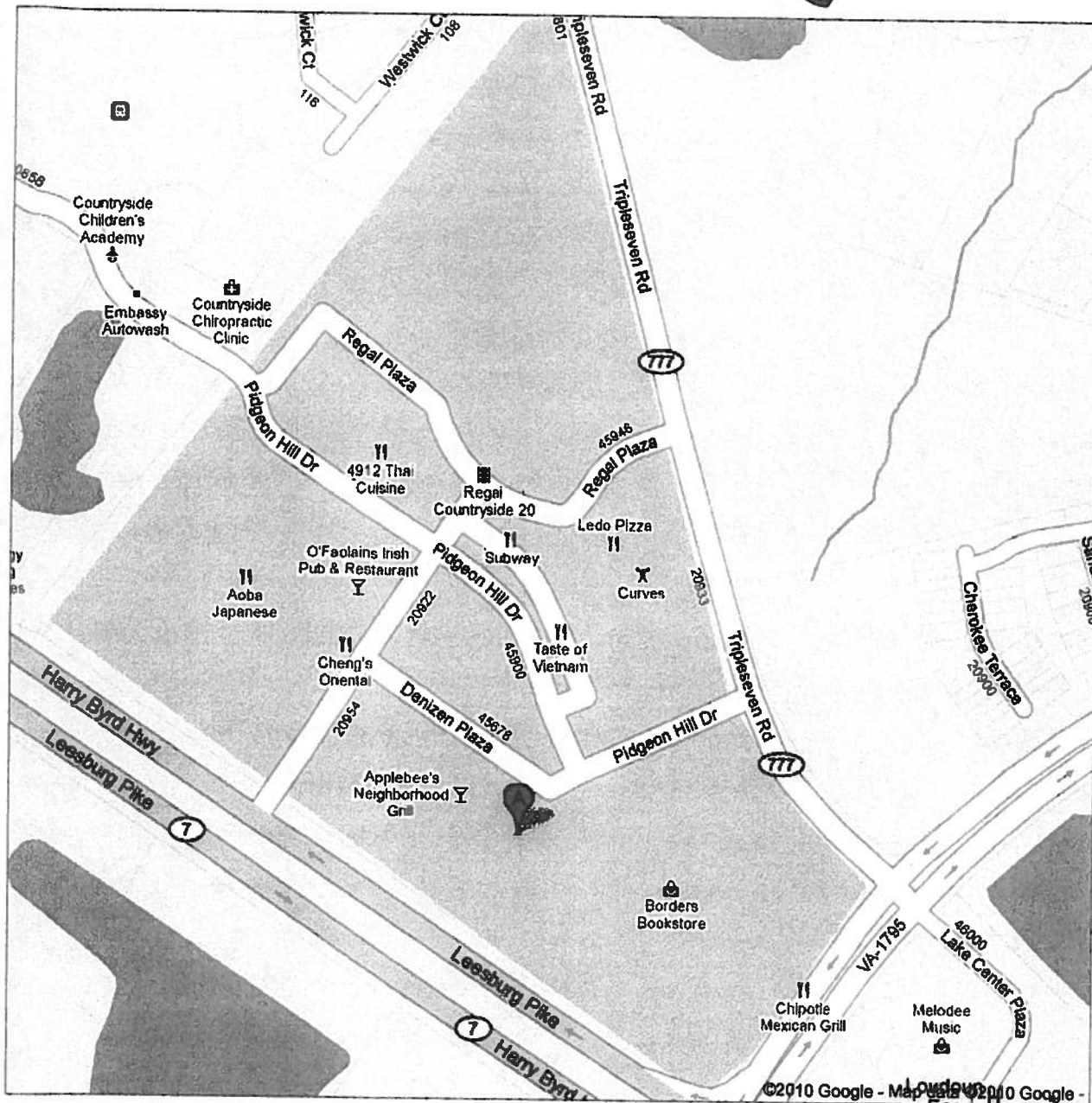
Business owners are aware of "sign science" and the results of years of study that clearly set forth the parameters necessary for motorists to actually be able to "see" signs. If the county is truly interested in safeguarding health, i.e., avoiding automotive accidents, then the information displayed on a sign should be clearly visible, conspicuous, legible and readable so that the sign achieves the intended purpose.

Google maps Address 45995 Denizen Plaza
Sterling, VA 20165

Get Google Maps on your phone



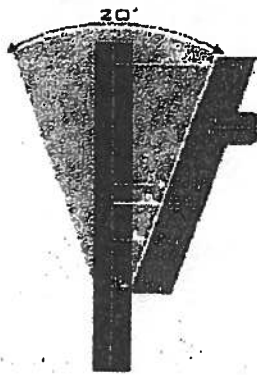
Text the word "GMAPS" to 466453



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Cone of Vision and Angle

Many signs will be seen through the windshield of a moving car. Note the accompanying graphic. While driving, a motorist has a 20° range, or "cone," of vision. If your business has a sign whose **setback** (i.e., its distance) from the road is outside a driver's cone, then your sign is in danger of being missed.



Also, as a driver moves along a road, signs will constantly be entering and leaving his/her cone. In order to attract business to your store, as well as to help keep motorists from making dangerous maneuvers in traffic, it is important that your sign be designed well enough to be seen.

A number of factors affect how much a driver can see and recognize, including the speed at which the car is moving, the number of lanes on the road, whether or not the viewer is looking for the information, atmospheric conditions, the difficulty of the driving conditions, time of day, and so on. Signs meant primarily to appeal to car traffic also need to be legible from a much greater distance than those designed for pedestrian traffic.

The angle at which a sign is placed influences how much lead-time the viewer needs to react to the sign. Earlier in this chapter, you saw a chart on legibility and distance which presumed signs to be at a 90° angle to the road. While this is the ideal angle, it is not always possible. On the other hand, it doesn't make sense to create a sign whose face is parallel to the road, as passing motorists will not be able to read it until they are right on top of it. For instance, many businesses have flat, two-dimensional signs on the face of their building. Because such a sign is parallel to the road, it is nearly invisible to motorists. Consider your audience. Will drivers have time to react to the sign once they can see it?

Sign Size Guidelines for On-Premise Signs

SIGN SIZE TYPE		I	I	II	II
SPEED LIMIT (miles/hour)	LANES OF TRAFFIC	SIGN SIZE (SQ. FT.)	SIGN HEIGHT (FEET)	SIGN SIZE (SQ. FT.)	SIGN HEIGHT (FEET)
25	2	25	12	50	12
25	4	32	12	70	12
35	2	36	20	75	20
35	4	42	20	90	20
45	2	75	35	100	40
45	4	90	35	120	40
55	2	150	50	250	90
Urban Freeway		300	74	450	90

Source: Schwab, Richard N.³

In this table, the I columns refer to signs that are **perpendicular** to the road, while column II signs are those that are **parallel** to the road. Note how column II signs would need to be much larger than column I signs in order to be seen and understood.



INTERNATIONAL SIGN ASSOCIATION

Valuation and Assessment Information -- Retailer, Germantown, TN

Based on extensive market research, first-year Germantown store should generate A6 million in sales
 Retailer invested \$124,000 in other advertising in Memphis SMSA during year (TV, radio, direct mail, newspaper)
 Lack of adequate on-premise signage was only marketing difference between this and other chain stores
 Inadequate signage cost store: 30% of gross sales, 81% of profits, and almost \$30,000 in tax payments

Valuations						
			\$1,200,000		Gross Sales	
			\$600,000		Real Estate Value	
			\$180,000		Personal Property (Inventory)	
Gross Sales		Sales Tax Rate		Total Tax		Taxing Entity
\$1,200,000	x	5.50%	=	\$66,000		State
\$1,200,000	x	2.25%	=	\$27,000		City
Real Estate Value		Property Tax Rate		Total Tax		Taxing Entity
\$600,000 * (.25)	x	2.88%	=	\$4,320		County
\$600,000 * (.25)	x	1.34%	=	\$2,010		City
Personal Property Value		Personal Property Tax Rate		Total Tax		Taxing Entity
\$180,000 * (.25)	x	2.88%	=	\$1,296		County
\$180,000 * (.25)	x	1.34%	=	\$603		City
Total State Taxes (65.2% of total taxes paid)				\$66,000		
Total County Taxes (05.6% of total taxes paid)				\$5,616		
Total City Taxes (29.2% of total taxes paid)				\$29,613		
Total Taxes Paid				\$101,229		
Valuations - 30% Reduction						
			\$840,000		Gross Sales	
			\$420,000		Real Estate Value	
			\$180,000		Personal Property (Inventory)	
Gross Sales		Sales Tax Rate		Total Tax		Taxing Entity
\$840,000	x	5.50%	=	\$46,200		State
\$840,000	x	2.25%	=	\$18,900		City
Real Estate Value		Property Tax Rate		Total Tax		Taxing Entity
\$420,000 * (.25)	x	2.88%	=	\$3,024		County
\$420,000 * (.25)	x	1.34%	=	\$1,407		City
Personal Property Value		Personal Property Tax Rate		Total Tax		Taxing Entity
\$180,000 * (.25)	x	2.88%	=	\$1,296		County
\$180,000 * (.25)	x	1.34%	=	\$603		City
Total State Taxes (64.7% of total taxes paid)				\$46,200		
Total County Taxes (06.0% of total taxes paid)				\$4,320		
Total City Taxes (29.3% of total taxes paid)				\$20,910		
Total Taxes Paid				\$71,430		

Source: Taylor, Claus, and Claus. *On-Premise Signs as Storefront Marketing Devices and Systems*, Table 12.2. For the U.S. Small Business Administration and The Signage Foundation. 2005.

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 (703) 836-4012 TEL (703) 836-8353 FAX
 INFO@SIGNS.ORG

WWW.SIGNS.ORG

Loudoun County, Virginia—Monthly Economic Indicators

June 2010

Employment Notes

Loudoun's 4.7% unemployment rate in April was the 2nd lowest in Virginia, and the lowest the county has experienced in 2010.

Employment in the 4th quarter of 2009 decreased slightly, largely due to job losses in the Construction sector. Professional Services remained steady.

Unemployment Rate (April 2010)

		Annual Chg
Loudoun County	4.7	2%
Northern Virginia	5.0	2%
Virginia	7.2	6%
United States	9.9	11%

Source: Virginia Employment Commission

Labor Force (April 2010)

	Labor Force	Annual Chg
Loudoun County	177,209	5%
Northern Virginia	1,497,081	3%
Virginia	4,192,362	1%
United States	154,715,000	0%

Source: Virginia Employment Commission

At Place Employment (4th Quarter 2009)

Industrial Classification	Employees	Annual Chg	Establishments	Annual Chg
Ag, Forestry, Fishing & Hunting	423	-7%	77	1%
Mining	179	-8%	6	0%
Utilities	86	-3%	4	0%
Construction	13,163	-10%	841	-5%
Manufacturing	4,206	-9%	190	2%
Wholesale Trade	3,115	-4%	393	-2%
Retail Trade	16,579	0%	850	-5%
Transportation and Warehousing	9,251	-5%	296	3%
Information	7,614	-5%	245	3%
Finance and Insurance	2,616	0%	335	-3%
Real Estate and Rental and Leasing	1,621	7%	312	-3%
Professional and Technical Services	15,556	0%	2,289	4%
Mgt of Companies and Enterprises	1,089	22%	63	24%
Administrative and Waste Services	7,243	-1%	526	0%
Educational Services	1,888	-2%	147	13%
Health Care and Social Assistance	8,960	6%	757	15%
Arts, Entertainment, and Recreation	1,851	9%	114	2%
Accommodation and Food Services	10,616	-3%	519	4%
Other Services, Ex. Public Admin	3,883	-4%	795	1%
Federal	3,935	0%	48	2%
State	945	0%	21	-9%
Local	15,695	0%	216	-3%
Total	130,513	-2%	9,045	2%

Source: Virginia Employment Commission
(D) - Not Disclosed

Employment and Unemployment

Nonresidential Construction (May 2010)

	Stock (2009)	Sq Ft Permitted	Annual Chg
Office	16,525,358	0	0%
Flex/Industrial	22,839,043	0	-100%
Retail	14,281,422	7,419	-91%
Mixed-Use	358,465	0	0%
Other	22,562,180	9,381	-73%
Total	76,586,468	16,800	-88%
Taxable	N/A	7,419	-95%
Non-taxable	N/A	9,381	100%
Route 28	N/A	7,419	100%

Source: Loudoun County Dept of Building & Development, Dept of Economic Development

Nonresidential Notes

The cumulative amount of nonresidential square footage permitted YTD** is 429,028, a 54 percent decrease over the same period last year.

**YTD is Year to Date (Jan-May)

Vacancy Rates (1st Qtr 2010)

	Rate	Annual Chg
Total	16%	2%
Office	17%	-12%
Flex	18%	3%
Industrial	14%	31%

Source: CoStar

Nonresidential

Residential Development

	Single-family Detached		Single-family Attached		Multi-Family		Total	
	Units	Annual Chg	Units	Annual Chg	Units	Annual Chg	Units	Annual Chg
Inventory (2010)	58,367	3%	32,144	5%	18,059	7%	108,570	4%
Building Permits Issued (May 10)	87	0%	111	39%	0	-100%	198	11%
Homes Sold (Mar 10)	218	31%	151	44%	70	37%	439	36%
Avg Sale Price (Mar 10)	\$527,127	6%	\$335,862	-1%	\$240,187	-2%	\$415,586	2%

Sources: Loudoun County Dept of Building & Development, Dept of Management & Financial Services

Residential Notes

The cumulative number of residential permits YTD** is 826, an 11 percent decrease compared to the same period last year.

**YTD is Year to Date (Jan-May)

Residential

*Note: Annual Change is percent change from current period to the same time period (month or quarter) in the previous year. ♦ N/A is Not Available. ♦ na is not applicable, divided by zero.

Loudoun County Department of Economic Development ♦ biz.loudoun.gov ♦ 703-777-0426 ♦ 800-LOUDOUN
All data subject to revision. For additional information, please visit our website or contact the Department.